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Report of the Secretary-General on the request of Nepal for United Nations assistance in support of its peace process

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1825 (2008), by which the Council, pursuant to the request of the Government of Nepal and the recommendation of the Secretary-General, renewed the mandate of the United Nations Mission in Nepal (UNMIN), as set out in resolution 1740 (2007), until 23 January 2009. UNMIN was established as a special political mission with a mandate which included the monitoring of the management of arms and armed personnel of the Communist Party of Nepal (Maoist) and the Nepal Army.

2. This report reviews progress in the peace process and the implementation of the mandate of UNMIN since my report to the Council of 10 July 2008 (S/2008/454).

II. Progress of the peace process

3. There have been major political developments since my last report, including the election by the Constituent Assembly of the first President, Vice-President and Prime Minister of the Federal Democratic Republic of Nepal, and the formation of a Council of Ministers. These developments brought an end to a period of political uncertainty regarding the establishment of the new Government and paved the way for further progress on the peace process.

4. On 13 July, the Constituent Assembly, acting in its capacity as the Legislature-Parliament, adopted an amendment to the Interim Constitution which reflected the agreement reached on 25 June by the Seven-Party Alliance (see S/2008/454, paras. 6 and 7). This provided a basis for further negotiations towards the formation of a consensus government and power-sharing among the major parties elected to the Assembly. However, negotiations among the four largest parties represented in the Assembly, the Communist Party of Nepal (Maoist) (CPN (M)), the Nepali Congress (NC), the Communist Party of Nepal (Unified Marxist-Leninist) (UML) and the Madhesi People's Rights Forum (MPRF), proved difficult. CPN (M) and NC nominated rival candidates for President, and Ram Baran Yadav of NC was elected by the Assembly, with the support of UML and MPRF as well as NC, on 21 July. The Assembly also elected Parmananda Jha of MPRF, with the support of the same three parties, as Vice-President.

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5. Disagreements regarding nominations and the election of the President adversely affected the climate for continuing negotiations regarding formation of a government. On 29 July, President Yadav invited the Chairman of CPN (M), Pushpa Kamal Dahal "Prachanda", as the leader of the largest party in the Assembly, to form a consensus government within seven days. The deadline was later extended by three days to allow additional time for the negotiations to achieve consensus. However, differences between the parties continued, NC stating its reluctance to join a Maoist-led government before the Maoists had fulfilled a number of key preconditions, including the return of seized property and reform of its Young Communist League; it also sought to be allocated the Ministry of Defence portfolio if it were to join the government. After the four parties failed to reach consensus, UML and MPRF, as well as a number of smaller parties, agreed to support the candidacy of Pushpa Kamal Dahal "Prachanda" for the position of Prime Minister and to join a Maoist-led coalition government.

6. In the absence of consensus, the election of a prime minister moved to the Legislature-Parliament, and was held on 15 August. It was contested by Pushpa Kamal Dahal "Prachanda" and NC candidate Sher Bahadur Deuba, a former prime minister. Dahal was elected by 464 votes, Deuba received 113. Subsequently, the NC central working committee decided that the party should not join a national government but should enter into opposition.

7. Pushpa Kamal Dahal "Prachanda" was sworn in as Prime Minister on 18 August. A Common Minimum Programme for implementation by the new government was subsequently agreed upon by the three principal coalition partners, CPN (M), UML and MPRF. On 27 August, the Prime Minister finalized the establishment of a 25-member Council of Ministers which includes 10 Ministers (in addition to the Prime Minister) from CPN (M), 6 from UML, 4 from MPRF and one each from four smaller parties. Bamdev Gautam, the senior UML nominee, was appointed Deputy Prime Minister and Home Minister. The MPRF leader, Upendra Yadav, became Minister for Foreign Affairs. Among the Ministries retained by CPN (M) were the Ministries of Finance, Defence, and Peace and Reconstruction. Only four members of the Cabinet are women.

8. The new Government faced its first major crisis on 18 August when the Koshi River in the eastern region of Nepal flooded large parts of Sunsari district and neighbouring Bihar State in India. More than 60,000 people in Nepal and 3.2 million in India were affected. The Government reacted promptly, ordering security forces to assist in flood relief and providing assistance to the victims. United Nations agencies also played a significant role in providing relief. In mid-September, the Government had to respond to the temporary displacement by severe flooding and landslides of some 180,000 persons in the Mid-West and Far West regions of the country.

9. From 23 to 27 August, the Prime Minister visited China to attend the closing ceremony of the Olympic Games. From 14 to 18 September, he undertook an official visit to India. In a joint communiqué issued at the end of the visit, the two Governments committed themselves to strengthening bilateral ties and expanding economic links. They agreed to set up a committee at the level of Foreign Secretaries to review, adjust and update the 1950 Treaty of Peace and Friendship and other agreements, while giving due recognition to the special features of the bilateral relationship. The Prime Minister also travelled to New York to address the

United Nations General Assembly and participated in the high-level event on the Millennium Development Goals in New York on 25 September. I received the Prime Minister on 27 September, when he expressed appreciation for the support of the United Nations for Nepal's peace process and reiterated an invitation extended to me by the previous Government to visit Nepal, which I accepted.

10. On 11 September, the President presented before the Legislature-Parliament the policies and programmes of the Government, based upon the Common Minimum Programme agreed among the principal coalition partners: this was adopted after debate. On 19 September, the Finance Minister, Baburam Bhattarai, presented the Government's budget for the remainder of fiscal year 2008/09 to the Legislature-Parliament. The budget provides for socio-economic programmes aimed particularly at low-income communities, populations in remote areas and historically marginalized groups. During the budget debate the opposition NC as well as members of some other parties expressed concerns regarding the proposed levels of expenditure and required revenue. Following the presentation of revisions to address some concerns, the debate is due to resume on 19 October, after the Dashain festival.

11. Coalition partners, as well as the opposition parties, have expressed some public criticisms of the CPN (M) leadership of the Government and its future intentions, and there have been considerable tensions at the local level. On 2 October, the coalition parties agreed to form a high-level Political Coordination Committee. From 3 to 6 October, CPN (M) began a major meeting of its Central Committee to discuss its strategy following the formation of the Government. The meeting was adjourned until early November after a decision to hold a wider meeting of the party from 11 to 13 November.

Drafting the Constitution

12. Since the Constituent Assembly was first convened on 28 May, there has been little progress towards its main task of drafting a new Constitution. On 24 July, Subas Chandra Nembang of UML, who had been Speaker of the Interim Legislature-Parliament, was elected unopposed Chairman of the Assembly and Speaker of the Legislature-Parliament. In addition to the prolonged preoccupation of the political parties with the elections of the President and Prime Minister and the formation of the Government, the main reason for the protracted delay is differences over the rules of procedure, which had yet to be adopted when the Assembly was prorogued until 19 October. This delay is raising concerns about the prospects for the completion of the Assembly's task within the two-year period provided for under the Interim Constitution.

Integration and rehabilitation

13. The agreement reached on 25 June by the Seven-Party Alliance states that the future of Maoist army personnel verified by UNMIN would be decided by a reconstitution of the special committee provided for in the Comprehensive Peace Agreement and in article 146 of the Interim Constitution (see S/2008/454, para. 9). Verified combatants would have a choice between possible integration into security bodies "after fulfilling the standard requirements", an economic package or other alternatives for rehabilitation. Until integration and rehabilitation are complete, Maoist army personnel and weapons would be under the supervision, control and

direction of the special committee, and from the beginning of the process the Maoist combatants would have no involvement with any political organization, having to opt for either political or military responsibilities.

14. Upon becoming Prime Minister, Pushpa Kamal Dahal "Prachanda" ceased to be Supreme Commander of the Maoist army, and commanders who hold positions in government or the Constituent Assembly have relinquished their military positions. Nanda Kishor Pun "Pasang", formerly a Deputy Commander, has been appointed Commander of the Maoist army: he remains Maoist army Vice-Chairman of the Joint Monitoring Coordinating Committee. However the special committee, which according to the agreement of 25 June is to be formed on a multi-party basis, including the opposition NC as well as the governing parties, has yet to be established. Meanwhile, strongly differing positions regarding the integration of Maoist army personnel into the Nepal Army continue to be expressed publicly by leaders of political parties, retired military personnel and representatives of civil society, on an issue which remains central to the peace process.

15. Despite some improvements, problems have persisted at the Maoist army cantonment sites. The infrastructure of the cantonments is inadequate to meet some of the basic needs of a large number of combatants, especially during the monsoon season. Maoist division commanders reported that many combatants in the cantonments fell ill during the recent monsoon season. They have frequently complained of lack of government support in three critical areas — in meeting the food requirements of the combatants because of the low daily allowance, in the availability of clean drinking water and in the provision of adequate health facilities. The new Government has reconstituted the Cantonment Management Committee under the chairmanship of the Minister of Peace and Reconstruction, former Maoist army Deputy Commander Janardan Sharma "Prabhakar"; the Committee is expected to address the issue of improving conditions in the cantonments, and has decided to increase the daily subsistence allowance to the combatants.

16. The substantial arrears in payments of monthly salaries to verified combatants has been a long-standing source of grievance for the Maoist army, linked by the previous Government to the failure of the Maoists to return property they seized during the armed conflict. The outgoing Government released three-month salary payments in August. The new Government has now released the 12-month arrears for the period to August 2008, and has decided to increase the monthly payment.

17. UNMIN and the United Nations Children's Fund (UNICEF), as well as my Special Representative for Children and Armed Conflict, have continued to insist upon the urgency of fulfilling the commitment to discharge from the cantonments those who were minors in May 2006, along with other personnel disqualified by UNMIN verification. Maoist ministers have stated that there is no political hurdle to the discharge going ahead as soon as they are satisfied that appropriate arrangements are made to support the reintegration of those discharged. UNICEF, the United Nations Development Programme (UNDP) and UNMIN are engaging the Ministry of Peace and Reconstruction in order to discuss United Nations preparations to assist, which are already of long standing.

Other challenges affecting the peace process

18. Many other peace process commitments were not implemented before the Constituent Assembly election of 10 April 2008 or the change in government, and remain unfulfilled. These include compensation to victims, investigations into the fate of those who disappeared, return of displaced persons and property seized during the conflict, and the establishment of several commissions provided for in the peace agreements. The new Government has reiterated most of those commitments and has reflected them in its budget, but commitments regarding the return of property and reform of the Young Communist League remain of particular concern to critics of CPN (M), as does the commitment to equitable compensation to all categories of victims of the conflict.

19. The peace process faces continuing challenges at the local level. There has been considerable competition between party cadres over control of local development budgets and district-level tender processes for State-funded programmes. Donors have expressed concern about possible improper intervention in the process of funding development and reconstruction programmes. Such interventions have resulted in a number of clashes, particularly in hill districts. Most have reportedly been initiated by the Young Communist League. Other political parties have also activated or formed new youth wings. The UML Youth Force, in particular, has been involved in activities claimed to prevent corruption, as well as competition for control over local-level decision-making and resource allocation. There have been several clashes between cadres of the youth wings and these could escalate if effective local authority is not soon put in place. The Government is committed to establishing interim multiparty local government bodies, as well as local peace committees, which have so far been effective in only a few districts.

20. Rule of law remains particularly weak in the Tarai, where abductions and killings are continuing and the distinction between politically motivated incidents by illegal armed groups and criminal actions is becoming increasingly blurred. On 2 October the Government decided to extend an invitation to talks to Tarai armed groups, some of which had declared a ceasefire for the festival period, and appointed a team of three ministers to enter into dialogue with them.

21. During the reporting period, a series of strikes and other protest actions over a range of issues caused significant disruption and economic loss. These included protests over the Vice-President's decision to take the oath of office in Hindi instead of Nepali, price increases and shortages of fuel, food and other commodities, transportation-related problems, seizure of land by Maoist cadres, opposition to the establishment of a federal and secular State, and budget cuts for festival-related expenditure.

III. Status of the United Nations Mission in Nepal

22. Pursuant to the completion of some elements of the mandate of UNMIN and the proposals in my last report, the Mission's staffing level has been substantially reduced. As at 10 October the overall staffing level is 283 out of the authorized 306 civilian personnel, together with 85 arms monitors out of the authorized strength of 90. Of the civilian personnel, 30 per cent are female. Among substantive staff, 57 per cent are female, while among administrative staff, 25 percent are

female. There are three women arms monitors, an occupational category largely subject to the nomination of candidates by Member States.

23. I regret to report that the status-of-mission agreement still has not been signed. All outstanding issues have been resolved but the agreement has to be approved by the Cabinet before it is signed on behalf of the Government of Nepal.

IV. Activities of the United Nations Mission in Nepal

A. Arms monitoring

24. The Arms Monitoring Office has continued to monitor the compliance of the Nepal Army and the Maoist army with the Agreement on Monitoring the Management of Arms and Armies. This task has been carried out with a reduced staffing level. As part of its downsizing plan, the Arms Monitoring Office reorganized its deployment and on 11 July, the three sectors — East (Biratnagar), Central (Kathmandu) and West (Nepalgunj) — were disbanded. Arms monitors continue to be based at all seven main cantonment sites of the Maoist army and at the Nepal Army weapons storage site, where they maintain round-the-clock surveillance of the weapons storage areas. Other operations are conducted by mobile teams operating from those sites and from the headquarters of the Arms Monitoring Office in Kathmandu.

25. The Joint Monitoring Coordinating Committee has continued to meet under the chairmanship of the Acting Chief Arms Monitor, and the senior officers representing the Nepal Army and the Maoist army, respectively, have continued to cooperate closely on decision-making, exchange of information, confidence-building measures and resolution of disputes. By 25 September, the Committee had held 85 meetings. During the reporting period, the Coordinating Committee held five meetings. Two alleged violations of the Agreement on Monitoring the Management of Arms and Armies were considered.

26. Following a request by the Government, from 17 August to 1 September, UNMIN arms monitors witnessed the payment of salaries covering a three-month period to eligible personnel of the Maoist army. In response to a further request, from 2 to 6 October, arms monitors witnessed a further payment of 12 months' salaries, covering arrears to August 2008.

B. Mine action

27. Since January 2007, the UNMIN Mine Action Unit has supported the Nepal Army and the Maoist army in fulfilling their obligations under the Agreement on Monitoring the Management of Arms and Armies. As stated in my last report, destruction of all improvised explosive devices at Maoist army cantonment sites has been completed. On 3 October, the Government formally requested continued United Nations assistance to its mine action programme. The main outstanding obligation under the Comprehensive Peace Agreement is the clearance of the remaining 48 minefields laid by the Nepal Army during the civil conflict; to date, five minefields have been cleared and three partially cleared. Future assistance is being transferred from UNMIN to a United Nations mine action team operation

which will be part of the United Nations country team, under the oversight of the Resident Coordinator.

C. Child protection

28. The Child Protection Team, which now comprises one international and one national adviser, continued to monitor the situation of children in the Maoist army cantonments as well as of those who have been informally released. By mid-October there had been no formal discharge of disqualified combatants, specifically minors and late recruits. During the reporting period, further discussions were held between UNMIN, the Government and CPN (M) regarding the discharge process (see para. 17). The Ministry of Peace and Reconstruction expressed a commitment to developing a plan for the discharge and rehabilitation of disqualified combatants with the assistance of the United Nations, and its willingness to commence this process prior to the formation of the special committee.

29. No procedure has been developed under which verified personnel, including minors and late recruits, who wish to leave the Maoist army can do so before the formal discharge process begins. There have been some informal releases from cantonments, but this has not been adequately managed, posing risks to the individuals concerned. These risks include negative reactions from their communities as well as from CPN (M), which regards those who leave as deserters. In general, the longer the minors and late recruits remain in the cantonments, the more difficult their reintegration into society is likely to be.

30. In conjunction with the Office of the United Nations High Commissioner for Human Rights (OHCHR) and UNICEF, the Child Protection Team has continued to report on the implementation of Security Council resolution 1612 (2005). In that regard, it provided information on progress concerning discharge and violations of children's rights to the Security Council Working Group on Children and Armed Conflict through the Office of the Special Representative of the Secretary-General for Children and Armed Conflict. In August, my Special Representative for Children and Armed Conflict issued a statement calling for the immediate release of minors still in the cantonments.

D. Political affairs

31. The Political Affairs Office continued to monitor and analyse the political situation in the country and assist the Mission leadership in its efforts to support the peace process. Political affairs officers continued to meet regularly with political stakeholders, including Government officials, representatives of political parties and civil society organizations, as well as regional and international actors. The Office continued to assess the status of implementation of the Comprehensive Peace Agreement as well as other relevant agreements. The Office provided briefings to the United Nations country team and meetings of the wider international community.

E. Public information

32. During the reporting period national and international media focused on the election of the President, Vice-President and Prime Minister in addition to the formation of the government. The presentation of the 2008/09 budget and the range of reactions from the different political parties received media attention. The media debated issues surrounding the Prime Minister's visits to China and India. The issue of integration of Maoist combatants was also extensively debated through the media, as well as the continuing difficult conditions in the Maoist cantonments, with particular emphasis on the plight of newborn children. National and international media gave prominent coverage to the Prime Minister's visit to New York to attend the United Nations General Assembly.

33. The devastation caused by the floods in eastern and western Nepal was widely covered, highlighting both the plight of victims and cooperation between the Governments of Nepal and India in addressing the problem. The appeal to donors and the response by the different United Nations agencies present in Nepal were reported by the media.

34. To mark International Day of Peace, my Special Representative participated in a ceremony organized by the Ministry of Peace and Reconstruction, at which he conveyed my global message and delivered a speech reflecting on the achievements and challenges of the peace process in Nepal. This event was widely covered by the media.

35. The smaller public information team scaled down its production activities. It produced the final issue of the Mission newspaper as well as a Nepali-English lexicon. It redesigned and updated the UNMIN website, continued its daily media monitoring activities and worked on a photographic exhibition about United Nations support to Nepal's peace process. This was part of a multi-media exhibition entitled "Towards an inclusive peace", illustrating the role of the United Nations in supporting the peace process in Nepal, which was displayed at United Nations Headquarters in New York during August.

36. The UNMIN weekly radio programme went off the air at the end of August after being broadcast nationally for one year. The final episode was a special edition featuring a message from my Special Representative committing continued support from the United Nations system for peace and development in Nepal. The public information team continued assisting with arrangements allowing for the country team to take over production of the radio programme.

37. The translation team, although also considerably reduced, continued supporting all substantive and administrative sections of the Mission, as well as the special communications needs of the United Nations country team when they were assisting the Government with the crisis created by the Koshi River floods.

F. Safety and security

38. The security situation in the country remained relatively calm. During the reporting period there was no direct or indirect threat to United Nations personnel and property. The Safety and Security Section significantly reduced its staff. Cooperation and coordination with the Nepal office of the Department of Safety and

Security remained strong and focused on ensuring that staff members remain vigilant and comply with existing United Nations security and movement procedures.

V. Mission support

39. The mission support component has been reduced, commensurate with the closure of the UNMIN regional offices and the reduction in the scope and scale of support service requirements. The continued presence of arms monitors at the seven Maoist main cantonment sites and their conduct of mobile patrolling still results in a wide geographical dispersion of UNMIN personnel. Consequently, communications and air transport resources continue to be required to provide the necessary logistics support, security and medical linkage from Kathmandu to remote deployment locations of the arms monitors.

40. Since the significant downsizing of UNMIN in July and August, the mission support component is progressively scaling down the infrastructure and material resources within the Mission. Material assets will be recovered and disposed of, commensurate with the reduced size of the Mission.

VI. Human rights

41. Plans and policies of the new Government with a human rights dimension include commitments to establish a Truth and Reconciliation Commission as well as a commission to investigate disappearances, in accordance with the peace agreement, and commitments to formulate a new public security policy and to end impunity. The Government also pledged itself to improving the situation of disadvantaged groups, promoting economic, social and cultural rights, in particular in the areas of education, health services and land issues, and ending the practice of "untouchability". The Government has also committed itself to adopting measures to end all forms of discrimination against women.

42. The Government's commitment to formulate a new public security strategy is encouraging, as the failure of the State to ensure public security remains a significant obstacle to improving the human rights situation in Nepal. The security environment remains fragile nationwide, and policing in the Tarai and remote hill districts is minimal or ineffective. Lack of governance at the national level has been compounded by the inactivity or absence of the civil administration in many districts. This has resulted in a general sense of lawlessness in much of the Tarai and in some hill districts, including in the southern areas of Khotang and Bhojpur districts in the east. Vulnerable and historically marginalized communities in particular have little faith in the willingness of the police to address their protection concerns or to properly investigate crimes of which they are the victims.

43. Criminal activity by armed groups operating in the Tarai has continued with impunity, including killings, abductions for ransom, detonation of explosive devices and widespread extortion. One of the main challenges facing the Government will be to re-establish the rule of law in this area.

44. Ongoing violations of human rights and legal procedures by some members of the police highlight the urgent need for security sector reform. During the reporting

period, OHCHR documented two cases in which suspected members of armed groups or alleged criminals were shot dead by the police in circumstances suggesting that they were extrajudicially executed, bringing the number of similar cases in 2008 to 14. In most cases, no internal or other form of official investigation was conducted, and the deaths were recorded as "accidental". In addition to underlining police impunity and the absence of effective, independent, internal accountability mechanisms, these cases illustrate the inability of the police to maintain the rule of law through legal means. Moreover, the pattern of torture and ill-treatment by police in the context of interrogations has continued.

45. Political interference in the work of the police and the conduct of parallel "law enforcement" activities by youth wings affiliated to political groups, particularly the CPN (M)-affiliated Young Communist League and the UML-affiliated Youth Force, constitute another threat to the rule of law. The self-declared policing roles of these groups overlap with police functions and weaken the credibility and legitimacy of State institutions.

46. Public attention was focused in July on the situation of women human rights defenders, who conducted a campaign in Kathmandu to demand that the Government establish a commission to investigate violence against women and criminalize domestic violence. They also demanded that the Government order a proper investigation into the death of a woman in Kanchanpur who women human rights defenders believe was murdered by her husband because of her activism. As a result of the campaign, the Government established a special task force, including several of the women human rights defenders, to look into all the concerns raised.

47. There has been no progress on the establishment of transitional justice mechanisms, largely because of delays in the formation of a government. There appears to be some movement towards more inclusive consultations in relation to the Truth and Reconciliation Commission, although there is not yet any publicly available draft policy or law with regard to the Commission to investigate disappearances. While the Government has committed itself to ending impunity, public statements to the effect that cases against persons charged in relation to the conflict will be withdrawn has led to concern that perpetrators of serious violations of human rights and international humanitarian law may not be held accountable.

48. OHCHR continued to strengthen its support to the National Human Rights Commission, including by engaging in joint activities, and contributing to capacity-building of the institution. OHCHR increasingly encouraged the Commission to take the lead on key monitoring activities, such as investigations. OHCHR also conducted numerous activities aimed at strengthening the capacity of civil society, notably by facilitating the establishment of civil society networks to address specific human rights issues. Now that the consolidation of the peace process is entering a crucial phase, OHCHR continues to be well placed to provide support and advice on human rights matters to relevant actors at the national, regional and local levels.

VII. United Nations country team coordination

49. Since my last report UNMIN and the United Nations country team have continued to coordinate their efforts in support of this new phase in the peace process. My Special Representative and the Resident Coordinator continue to work

closely to ensure that such issues as support to discharge processes and mine action are addressed in an integrated fashion.

50. UNMIN and the United Nations country team are providing support to cantonments, and making preparations for the future discharge of Maoist army personnel verified by UNMIN as late recruits and minors. A United Nations task force, led by UNMIN and including UNDP, UNICEF, the United Nations Population Fund (UNFPA) and the World Bank, is expected to coordinate such support.

51. In September $10 million was released from the United Nations Peacebuilding Fund to support the next phase of the peace process through the United Nations country team and its national partners. In order not to create a parallel structure, those funds will be channelled through the United Nations Peace Fund for Nepal. The intention is to commit those resources in the near future to such critical areas as mediation and peacebuilding efforts at the local level, reintegration of those discharged from cantonments, technical support to new committees and commissions anticipated under the Comprehensive Peace Agreement, and interventions to create employment for Nepal's youth. Each of these areas is considered critical to the success of the peace process. The United Nations Peace Fund for Nepal will also support a new phase of the United Nations mine action programme which, as noted above (para. 27), is being transferred to the oversight of the Resident Coordinator.

52. The World Bank, an active member of the United Nations country team in Nepal, has recently approved an emergency peace support operation of $50 million, most of which will help to finance monthly payments to Maoist personnel in cantonments and one-time payments to families of persons killed as a result of the conflict. The remainder is allocated to reintegration support for conflict-affected populations and capacity-building for peace institutions, specific uses of which will be determined by the Government in consultation with the World Bank and other development partners involved in the peace process.

53. On 18 August, the Koshi River, one of the largest river basins in Asia, breached its eastern embankment in eastern Nepal. The force of the water led to 80 per cent of the river changing its course, rendering the flooded areas inaccessible. More than 60,000 persons have been displaced in Nepal; approximately 40 per cent of them came from Bihar State in India. The displaced are in temporary shelter sites across Sunsari and Saptari districts.

54. On 4 September, the Government declared a state of emergency in those districts. On 9 September, the humanitarian country team partners agreed to formalize the cluster approach in Nepal, designating cluster leads to enhance coordination and accountability in food (WFP), health (WHO), nutrition (UNICEF), protection (OHCHR), water, sanitation and hygiene (UNICEF), camp coordination and camp management (IOM) and education (UNICEF and Save the Children). The Office for the Coordination of Humanitarian Affairs provided on-site coordination in affected districts, and a United Nations disaster assessment and coordination team was dispatched to support assessments. A Floods Appeal was launched on 25 September, requesting $15.5 million to cover emergency needs for the next six months. As at 13 October, the Appeal is 42 per cent funded, including a $2.5 million grant from the Central Emergency Relief Fund.

55. The immediate concerns were to ensure registration of all persons in need of assistance, and to identify appropriate shelter sites as soon as possible. Following incessant downpours on 19 September, floods and landslides across the Mid-West and Far West regions of Nepal affected more than 180,000 persons. As at 13 October, water levels had receded significantly and many displaced persons were able to return to their homes. Assistance was needed to rehabilitate homes, restore livelihoods, and repair damaged water points. The United Nations was assisting local authorities in providing relief and rehabilitation support and an additional $1 million has been released from the Central Emergency Relief Fund to assist with this new displacement. An inter-agency assessment has indicated that approximately one third of the affected population comes from the least empowered groups, and that assistance has not targeted displaced people in host families or in spontaneous camps. These displaced groups make greater use of damage coping strategies and have a much lower consumption intake.

56. The long-standing food insecurity facing the country was aggravated by several factors, particularly increases in the prices for fuel and basic food, as well as reduced harvests of major crops. Further restrictions resulted from the widespread *bandhs* (strikes), which prevented the delivery of food supplies, particularly in the hill districts. Marginalized groups, such as former bonded labourers, faced particular risks in terms of securing sufficient food supplies as a result of discriminatory access to land and other resources, including forests and fishing areas. The Government of Nepal has requested the United Nations to provide support to an estimated 6.7 million people (25 per cent of the population) in need of food assistance.

57. The office of the United Nations Regional Centre for Peace and Disarmament in Asia and the Pacific was inaugurated in Kathmandu on 18 August by my Chef de Cabinet, who also conveyed my congratulations and assurances of future United Nations support to peace and development in Nepal at meetings with the newly elected President and Prime Minister. The Regional Centre will support the peace process through its work in the Asia and Pacific region by promoting global disarmament and non-proliferation norms. The Centre will support disarmament education, peace initiatives, and work to strengthen confidence-building and security among Member States in the region.

VIII. Observations

58. The major achievements of the peace process, which has throughout been driven by the Nepalese actors themselves, have commanded international admiration. In common with other members of the international community, I have repeatedly stressed the importance of sustaining the cooperation among political parties on which the peace process was founded and which has brought it so far. The Nepali Congress, under the leadership of the former Prime Minister, Girija Prasad Koirala, played a key role in the process and, although it has decided not to join the Maoist-led coalition government, I welcome its commitment to cooperation in the drafting of the new Constitution and completion of the peace process. I also welcome the commitments the Prime Minister Pushpa Kamal Dahal "Prachanda", expressed recently to me and to the General Assembly on behalf of the Maoist-led Government to take the peace process to its intended conclusion, and to multiparty democracy and the protection and promotion of human rights.

59. The delays that occurred in the formation of the Government are understandable, but do not make it possible for me to report the hoped-for progress towards the completion of UNMIN activities by the end of the current mandate, as called for by the Council. The establishment of the special committee to oversee the integration and rehabilitation of Maoist army personnel is crucial in this respect. The Government has assured my Special Representative that this is a high priority, and I trust that it will have been established by the time the Council considers this report.

60. The agreement reached on 25 June by the Seven-Party Alliance set a period of six months for integration and rehabilitation to be completed. However, until the special committee begins its work, it is impossible to predict how soon it will be able to take key decisions and how long will be needed for their implementation. It is clear that there are substantial disagreements to be overcome. Given that this remains a central issue of the peace process, however, it is my earnest hope that the parties will seek and find consensus in the shortest possible time.

61. In the meantime, my Special Representative has urged the Government and the Maoist army to consider interim measures, as soon as the Maoist army is brought under the authority of the special committee, which could simplify the monitoring responsibilities of UNMIN. The measures could include the consolidation of cantonments to a limited number of sites, and consolidation or other decisions in relation to the weapons currently stored under UNMIN surveillance. These suggestions have been well received, but only when decisions are taken by the Government will it be possible to assess whether and when a further reduction in the number of arms monitors before the end of the UNMIN mandate can be planned. As indicated in paragraph 22, UNMIN overall staffing is already below its authorized level, and the UNMIN management will continue to seek opportunities for further reductions, including by filling only essential vacancies as they arise, and to complete the transfer of activities to the United Nations country team.

62. I would encourage the Government to move as rapidly as possible to create conditions conducive to the completion of UNMIN activities, as urged by the Council. At the same time, the international community has made a substantial but well-rewarded investment in its support for Nepal's peace process, and continued assistance will be important to ensuring its successful conclusion and consolidation. While the main emphasis now should be on peacebuilding through economic and social development, and on the drafting of the new Constitution, experience in various countries has demonstrated the dangers of failing to address successfully the issue of former combatants and the risks that this can pose to durable stability.

63. In conclusion, I would like to convey my sincere appreciation to the members of the Security Council and other Member States for their continued support to Nepal. I would also like to express my gratitude for the dedicated efforts of my Special Representative and his staff and their partner organizations in Nepal.